

Message Text

CONFIDENTIAL

PAGE 01 PANAMA 05536 101605Z

44

ACTION ARA-10

INFO OCT-01 ISO-00 ARAE-00 SP-02 AID-05 EB-07 NSC-05

CIEP-01 TRSE-00 SS-15 STR-04 OMB-01 CEA-01 COME-00

AGR-05 L-03 CIAE-00 INR-07 NSAE-00 SAB-01 PRS-01 /069 W

----- 043825

P R 101545Z SEP 75

FM AMEMBASSY PANAMA

TO SECSTATE WASHDC PRIORITY 5070

INFO AMEMBASSY GUATEMALA

AMEMBASSY MANAGUA

AMEMBASSY SAN JOSE

AMEMBASSY QUITO

AMEMBASSY TEGUCIGALPA

C O N F I D E N T I A L PANAMA 5536

E.O. 11652: GDS

TAGS: EIND, PN

SUBJECT: UNITED BRANDS (UB)/GOP NEGOTIATIONS CONFIDENT

REF: (A) STATE 213223; (B) STATE 212542

1. ON SEPTEMBER 9, AMBASSADOR RECEIVED UB VICE PRESIDENT WILLIAM MATHERS (REF B) ACCOMPANIED BY UB PRESIDENT GELSTHORPE.

2. GELSTHORPE STATED HE WAS LEAVING THE COMPANY AND MATHERS WILL PURSUE GOP/UB NEGOTIATIONS, WHICH WERE EXPECTED TO RESUME-HOPEFULLY ON SEPTEMBER 10. HE EXPRESSED APPRECIATION FOR AMBASSADOR'S PERSONAL ROLE IN UB'S PREVIOUS RELATIONSHIP WITH GOP. MATHERS LOOKED FORWARD TO SIMILAR HIGH-LEVEL TREATMENT AS HE WAS NEW ON THE JOB.

3. GELSTHORPE POINTED OUT EMBASSY CAN ASSIST BY ASSURING GOP THERE WAS NO RPT NO CHANGE IN UB'S PHILOSOPHY BECAUSE OF HIS DEPARTURE, AND REITERATED
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 PANAMA 05536 101605Z

SUBSTANCE REF (A). WHAT UB HOPED TO PROPOSE WAS A

A SCHEME BY WHICH UB WILL SELL GOP ITS LAND FOR \$151,000 (PANAMA BOOK VALUE) WORTH \$5.3 MILLION, ACCORDING TO UB BOOKS. UB WILL LEASE BACK THE LAND FROM GOP ON 5-YEAR BASIS, AND UB WILL CARRY ON AS BEFORE. GELSTHORPE BELIEVED THIS ARRANGEMENT WOULD PROVIDE GOP OPPORTUNITY TO STATE IT NOW OWNS THE LAND-- A GREAT POLITICAL GAIN FOR GOP.

4. ON GOP/UB COOPERATION ON AGRICULTURAL DIVERSIFICATION EFFORTS (REF A PAR 4), GELSTHORPE REPORTED GEN. TORRIJOS AND OTHER GOP REPS WERE HIGHLY IMPRESSED WITH PRESENTATION MADE BY THREE-MAN GROUP OF A UB AFFILIATE ON SEPT. 5, WHOSE SOLE PURPOSE WAS TO LEND GOP TECHNICAL EXPERTISE FOR CONVERSION FROM TRUCK FARM OPERATION OF FRESH VEGETABLES AND FRUIT TO REGULAR EXPORT FARM PRODUCE MEETING U.S. STANDARDS. ACCORDING TO GELSTHORPE, PANAMANIAN WERE PARTICULARLY INTERESTED IN THE PROCESSING OF THE BANANA INTO CEREAL AND CANDY BAR TYPES WITH THE "CHIQUITA" BRAND. THE GROUP IS EXPECTED TO PURSUE DISCUSSIONS WITH GOP SEPTEMBER 16-17. (FYI GROUP HEADED BY MR. PATRICK L. DUDENSING, PRESIDENT PRODUCTOS ACUATICOS Y TERRESTRES, S.A. (PATSA), PRUDENTIAL CENTER, BOSTON, MASS.)

5. GELSTHORPE BELIEVED A "NEW UB PRESENCE WILL HELP PANAMA", AND IT WAS AGREED THAT THE TIMING FOR RESUMPTION GOP/UB NEGOTIATIONS WAS QUITE GOOD, BECAUSE OF PRESENT FAVORABLE TREND US/GOP TREATY NEGOTIATIONS.

6. AMBASSADOR PROMISED TO DISCREETLY ENCOURAGE SETTLEMENT FAIR TO GOP AND COMPANY.
JORDEN

CONFIDENTIAL

NNN

Message Attributes

Automatic Decaptioning: X
Capture Date: 01 JAN 1994
Channel Indicators: n/a
Current Classification: UNCLASSIFIED
Concepts: NEGOTIATIONS, MEETINGS, BANANAS
Control Number: n/a
Copy: SINGLE
Draft Date: 10 SEP 1975
Decaption Date: 01 JAN 1960
Decaption Note:
Disposition Action: RELEASED
Disposition Approved on Date:
Disposition Authority: GolinoFR
Disposition Case Number: n/a
Disposition Comment: 25 YEAR REVIEW
Disposition Date: 28 MAY 2004
Disposition Event:
Disposition History: n/a
Disposition Reason:
Disposition Remarks:
Document Number: 1975PANAMA05536
Document Source: CORE
Document Unique ID: 00
Drafter: n/a
Enclosure: n/a
Executive Order: GS
Errors: N/A
Film Number: D750313-0528
From: PANAMA
Handling Restrictions: n/a
Image Path:
ISecure: 1
Legacy Key: link1975/newtext/t19750966/aaaacggd.tel
Line Count: 94
Locator: TEXT ON-LINE, ON MICROFILM
Office: ACTION ARA
Original Classification: CONFIDENTIAL
Original Handling Restrictions: n/a
Original Previous Classification: n/a
Original Previous Handling Restrictions: n/a
Page Count: 2
Previous Channel Indicators: n/a
Previous Classification: CONFIDENTIAL
Previous Handling Restrictions: n/a
Reference: 75 STATE 213223, 75 STATE 212542
Review Action: RELEASED, APPROVED
Review Authority: GolinoFR
Review Comment: n/a
Review Content Flags:
Review Date: 08 SEP 2003
Review Event:
Review Exemptions: n/a
Review History: RELEASED <08 SEP 2003 by BoyleJA>; APPROVED <14 NOV 2003 by GolinoFR>
Review Markings:

Margaret P. Grafeld
Declassified/Released
US Department of State
EO Systematic Review
06 JUL 2006

Review Media Identifier:
Review Referrals: n/a
Review Release Date: n/a
Review Release Event: n/a
Review Transfer Date:
Review Withdrawn Fields: n/a
Secure: OPEN
Status: NATIVE
Subject: UNITED BRANDS (UB)/GOP NEGOTIATIONS CONFIDENT
TAGS: EIND, EINV, PN, US, UNITED BRANDS, (MATHERS, WILLIAM), (GELSTHORPE)
To: STATE
Type: TE
Markings: Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 06 JUL 2006